

MIAMI BEACH

OFFICE OF THE CITY MANAGER

NO. LTC #

063-2016

LETTER TO COMMISSION

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: February 10, 2016

SUBJECT: Golf Course Status Report



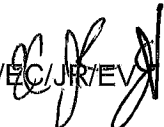
The purpose of this Letter to Commission is to provide a status report of the City's Golf Courses and the unanticipated shortfall in rounds and revenue projections.

The City of Miami Beach has received record rainfall amounts during December and January which are typically dry months. The average rainfall for Miami in December is 2.04" and 1.62" in January; however, this year we have received 8.4" and 7.35" respectively, over four times the average. Additionally, over the last two months we have had 16 days where golf play was affected by rain and at least as many days where we were forced to restrict players to "cart paths only", which discourages many golfers from playing as they are forced to walk significantly more and conditions are less than ideal.

This abnormal amount of rainfall has had a negative impact on the entire South Florida golf industry, affecting both the number of rounds played as well as the revenue generated. The Miami Beach Golf Course (MBGC) and Normandy Shores Golf Course (NSGC) are no exception. For January alone, MBGC experienced an \$83K decrease in green and cart fees from 2015 and \$50K at NSGC. As a result of the weather conditions, both golf courses combined show a YTD revenue deficit of \$295K against budget. We are hopeful that with improved weather and the initiation of several marketing efforts to increase rounds we can offset some of these revenue shortfalls. Additionally, we are making every effort to manage expenses to minimize the impact of these reduced revenues on the overall golf operations budget.

Should you have any questions or would like more information, please contact John Rebar at (305) 673-7730.

JLM/EC/JR/EV



c: John Rebar, Director, Parks and Recreation
Elizabeth Valera, Deputy Director, Parks and Recreation